

**10. Workers employed in certain industries – e.g., manufacturing, finance, distribution, or construction – were more likely to lose their jobs and to need retraining to find work.**

A few industries accounted for a significantly higher share of job losses during the past few years. These industries, such as manufacturing, are undergoing significant transformations. While they remain important to the state and could add net new jobs in the future, the workers they require must adapt to new business processes, technologies, and market realities. In general, workers employed in these industries increasingly need STEM-related knowledge and skills, increased communication skills, and entrepreneurial skills. Preparation of workers for opportunities in these targeted industry sectors will likely require new efforts from post-secondary education at all levels – university, community college, and industry-driven credentialing. Furthermore, the needs for each sector are evolving rapidly and require on-going insights from industry.

Policy responses to **prepare workers in certain key sectors for the likelihood of job loss and the need for transition** should consider the following questions:

- How should the state target its resources, if at all, to specific "at-risk" industry sector targets to help the companies prepare themselves and their workers for the future?
- How should the state approach efforts to focus help for emerging growth industry sector targets in preparing workers for those jobs?
- What role should the state play in helping companies in preparing low-skilled workers for the increased skill demands resulting from improving business processes, adopting new technologies, making new capital investments, and/or pursuing new market opportunities?
- How do we ensure that workers enter “mission critical” careers in industries that require fewer overall workers or that may be perceived as declining?

## **Final thoughts**

These trends suggest that the recession served to accelerate many of the economic and related workforce trends identified before the recession as challenges facing North Carolina, severely impacting many workers. However, the recession has highlighted a few new trends, including the increased speed of the structural economic transformation that is occurring and how that transformation must occur to ensure that North Carolina can continue to compete in the global marketplace. Addressing any of the workforce challenges noted in the above issues in isolation will not likely fundamentally shift the trajectory of the state's workforce. Only dealing with the issues holistically, and in collaboration with the state's educational and economic development systems, will do so.

North Carolina's educational system is a critical partner, as it represents probably the single most important factor in ensuring the state has the best available supply of workers. A high school diploma alone will no longer offer even a remote pathway for future success. For most, the pre-requisites to achieve middle class status is the “new middle” job's post-secondary credential – often a two-year associate degree at minimum –sometimes combined with an industry credential and/or a four year degree. In other words, the past methods of simply connecting a low-skilled worker with another job for which they are deemed qualified, will become increasingly antiquated.